

**INDIANA BOARD OF TAX REVIEW**  
**Small Claims**  
**Final Determination**  
**Findings and Conclusions**

**Petition No.:** 42-019-15-1-5-01650-16  
**Petitioner:** Stacy Allen  
**Respondent:** Knox County Assessor  
**Parcel No.:** 42-08-17-403-027.000-019  
**Assessment Year:** 2015

The Indiana Board of Tax Review (“Board”) issues this determination in the above matter, and finds and concludes as follows:

**Procedural History**

1. The subject property is a platted lot located on West 4<sup>th</sup> Street in Bicknell. Allen filed an appeal with the Knox County Assessor challenging his 2015 assessment. On June 27, 2016, the Knox County Property Tax Assessment Board of Appeals issued its determination, valuing the property as follows:  
  
Land: \$1,600                      Improvements: \$1,200                      Total: \$2,800
2. Allen appealed that determination by filing a Form 131 petition with the Board, electing to move forward under our small claims procedures. On April 19, 2018, Kyle C. Fletcher, our designated administrative law judge (“ALJ”), held a hearing. Neither he nor the Board inspected the property.
3. Allen represented himself, and Catherine Lane represented herself in her capacity as Knox County Assessor. Both testified under oath. Amy Conner, deputy assessor, took the oath but did not testify.

**Record**

4. Allen offered no exhibits. The Assessor offered the following exhibit:  
  
Respondent’s Exhibit 1: Beacon aerial map of the subject property,
5. The record also includes the following: (1) all pleadings and documents filed in the current appeal, (2) all orders and notices issued by the Board or ALJ, and (3) a digital recording of the hearing.

## Contentions

### 6. Summary of the Assessor's case:

- a. According to the Assessor, she changed the property's land classification from "excess residential" to a "homestead" or "home value" rate because (1) an aerial map showed that Allen's home extended from an adjacent parcel onto the subject property, and (2) the property also contained other improvements. That change in classification increased the assessment. *Lane testimony; Resp't Ex. 1.*
- b. The Assessor testified that she used the same land rate to assess all parcels in the area. She claimed that the 2015 assessment restored continuity between the subject land's assessment and the assessments for other land in the area. *Lane testimony.*
- c. In 2015, the subject property and the adjacent parcel with Allen's home were separate, even though the Assessor testified that Allen bought them at the same time. According to the Assessor, after she completed the 2015 assessment, she suggested to Allen that he combine the parcels so both would qualify for the "homestead" and his taxes would go down. The parcels have since been combined. *Lane testimony.*

### 7. Summary of Allen's case:

- a. Allen argued that the subject land should be assessed as vacant or excess residential because his house on the adjacent lot does not extend onto the property. Even if the house appears to cross the lot line shown on the aerial map, the lines on that map are estimates. They are not guaranteed to depict lot lines accurately. *Allen testimony; Resp't Ex. 1.*
- b. Regardless of how the Assessor classified the subject property, Allen contended that it was over-assessed. He testified that he bought it from Paul Marczak for \$1,000, although he did not say when. It has structures that are in poor condition. Marczak originally planned to remove several of those structures, but he let Allen keep them after determining that the move would destroy them. They have since fallen into further disrepair. After buying the property, Allen built another structure and patched an existing shed with plastic so he could use it as a chicken coop. *Allen testimony.*
- c. Allen also disputed the Assessor's testimony that he bought the subject property at the same time he bought his house. He bought the house in 1988 or 1989, but he did not buy the subject property until much later. He similarly disputed the Assessor's claim that she suggested combining the parcels. *Allen testimony.*

## Burden of Proof

8. Generally, a taxpayer seeking review of an assessment must prove the assessment is wrong and what the correct value should be. Indiana Code § 6-1.1-15-17.2 creates an exception to the general rule and assigns the burden of proof to the assessor where (1) the assessment under appeal represents an increase of more than 5% over the prior year's assessment for the same property, or (2) the taxpayer successfully appealed the prior year's assessment, and the current assessment represents an increase over what was determined in the prior appeal, regardless of the level of that increase. *See* I.C. § 6-1.1-15-17.2(a), (b) and (d). If an assessor has the burden and fails to prove the assessment is correct, it reverts to the previous year's level (as last corrected by an assessing official, stipulated to, or determined by a reviewing authority) or to another amount shown by probative evidence. *See* I.C. § 6-1.1-15-17.2(b).
9. Although neither party offered any evidence to show what the property was assessed for in 2014, Allen testified that the assessment increased by more than 5% between 2014 and 2015. The Assessor conceded that she had the burden of proof.<sup>1</sup> *Lane testimony; Allen testimony.*

## Analysis

10. Indiana assesses real property based on "true tax value." The Department of Local Government Finance ("DLGF") defines true tax value as "market value-in-use," which it in turn defines as "[t]he market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property." I.C. § 6-1.1-31-6(c); 2011 REAL PROPERTY ASSESSMENT MANUAL at 2 (incorporated by reference at 50 Ind. Admin. Code 2.4-1-2). Parties may offer evidence that is consistent with the DLGF's definition of true tax value. A market-value-in-use appraisal prepared according to the Uniform Standards of Professional Appraisal Practice often will be probative. *See Eckerling v. Wayne Twp. Ass'r*, 841 N.E.2d 674, 678 (Ind. Tax Ct. 2006). Parties may also offer actual construction costs, sales information for the property under appeal, sales or assessment information for comparable properties, and any other information compiled according to generally acceptable appraisal principles. *Id.*; *see also* I.C. § 6-1.1-15-18 (allowing parties to offer evidence of comparable properties' assessments in property-tax appeals). Regardless of the valuation method used, a party must explain how its evidence relates to the property's market value-in-use as of the relevant valuation date. *See Long v. Wayne Twp. Ass'r*, 821 N.E.2d 466, 471 (Ind. Tax Ct. 2005). Otherwise, the evidence lacks probative value. *Id.* The valuation date for 2015 assessments was March 1, 2015.
11. The Assessor focused on showing why she reclassified the subject land from "excess residential" to "homestead" or "home value." Even if we assume the Assessor properly reclassified the land, that fact is not enough to meet her burden of proving that the property's assessment accurately reflected its market value-in-use. *See Eckerling*, 841

---

<sup>1</sup> To the extent the Assessor reclassified the subject land, a separate statute assigns her the burden of proving that her change to the land's classification was correct. I.C. § 6-1.1-15-17.1(2).

N.E.2d at 678 (explaining that strictly applying assessment regulations does not necessarily make a prima facie case and referring to the types of market-based evidence that may be used in an assessment appeal).

12. The Assessor testified that she used the same rate to assess the subject land that she used to assess other land in the area. While a party may offer evidence showing how comparable properties are assessed, “[t]he determination of whether properties are comparable shall be made using generally accepted appraisal and assessment practices.” I.C. § 6-1.1-15-18(c). That requires far more information than the Assessor offered here. *See Long* 821 N.E.2d at 471 (holding that taxpayers seeking to show their property’s value through sales data for other properties had to explain how the characteristics for their property compared to the other properties and how relevant differences affected value).
13. The Assessor therefore failed to meet her burden of proof under Ind. Code § 6-1.1-15-17.2, and Allen is entitled to have his assessment revert to its 2014 level. Allen did not request a different value, nor did he offer any probative evidence to show what the subject property was worth. Instead, he simply testified that he bought it for \$1,000 on an unspecified date. Consequently, we order that Allen’s 2015 assessment be reduced to its 2014 level.

#### FINAL DETERMINATION

In accordance with the above findings of fact and conclusions of law, we order that Allen’s 2015 assessment be changed to its 2014 value.

ISSUED: July 18, 2018

---

Chairman, Indiana Board of Tax Review

---

Commissioner, Indiana Board of Tax Review

---

Commissioner, Indiana Board of Tax Review

**- APPEAL RIGHTS -**

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <<http://www.in.gov/legislative/ic/code>>. The Indiana Tax Court's rules are available at <<http://www.in.gov/judiciary/rules/tax/index.html>>.